

NSP GRANT SUBMISSION TEMPLATE
& CHECKLIST

NSP grant allocations can be requested by submitting a paper NSP Substantial Amendment or a form under the Disaster Recovery Grant Reporting (DRGR) system. This template sets forth the suggested format for grantees under the NSP Program. A complete submission contains the information requested below, including:

- (1) The NSP Substantial Amendment (attached below)
- (2) Signed and Dated Certifications (attached below)
- (3) Signed and Dated [SF-424](#).

Grantees should also attach a completed NSP Substantial Amendment Checklist to ensure completeness and efficiency of review (attached below).

THE NSP SUBSTANTIAL AMENDMENT

Jurisdiction(s): Urban County of Macomb (identify lead entity in case of joint agreements)	NSP Contact Person: Michael Rozny Address: 7th Floor, Administration Building One South Main St. Mt. Clemens, MI 48043
Jurisdiction Web Address: www.macombcountymi.gov/mcped (URL where NSP Substantial Amendment materials are posted)	Telephone: 586/469/6451 Fax: 586/469/6787 Email: Mike.Rozny@macombcountymi.gov

A. AREAS OF GREATEST NEED

Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.

Note: An NSP substantial amendment must include the needs of the entire jurisdiction(s) covered by the program; states must include the needs of communities receiving their own NSP allocation. To include the needs of an entitlement community, the State may either incorporate an entitlement jurisdiction's consolidated plan and NSP needs by reference and hyperlink on the Internet, or state the needs for that jurisdiction in the State's own plan. The lead entity for a joint program may likewise incorporate the consolidated plan and needs of other participating entitlement jurisdictions' consolidated plans by reference and hyperlink or state the needs for each jurisdiction in the lead entity's own plan.

HUD has developed a foreclosure and abandonment risk score to assist grantees in targeting the areas of greatest need within their jurisdictions. Grantees may wish to consult this data [LINK – to HUD USER data], in developing this section of the Substantial Amendment.

Response: *Macomb County identified the areas of greatest need using a matrix that combined HUD's foreclosure data with data developed by the Macomb County Department of Planning and Economic Development, and its Clerk's and Treasurer's offices. In conformance with HERA, the matrix ranks distress levels for each community using the following criteria; 1) the number of foreclosures, 2) the number of predicted foreclosures, and 3) the number of sub-prime loans. The maximum possible score is 14 points. Community scores ranged from 13.5 to 0.5, but there was a clear point of demarcation below 7.5. The County will therefore allocate funds directly to those communities (Eastpointe [13.5 pts.], Mt. Clemens [10 pts.], and Center Line [7.5 pts]) with distress scores at or above that level¹. The 7.5 score therefore formed the cutoff for targeting the NSP funds. Using the overall distress rankings obtained, and considering population, these three communities will be targeted for concentrated assistance. The needs data is provided below.*

This amendment builds on experience gained since March 2009 and ensures that funds continue to be directed into the most foreclosure distressed areas, into projects that will have a measurable impact on neighborhood stability and ensure benefit by LMMI residents, and ensure that funds are spent in a timely manner.

¹ *Two out-of-formula communities (Roseville and St. Clair Shores) also scored highly, but applied for (and received) State of Michigan NSP funds. If unsuccessful, they could apply to the County. The County will collaborate with them if and as necessary to ensure successful program implementation.*

General Community Information				# FC Properties (X5)				#2 Projected Foreclosures (X5)				#3 % Subprime Loans (X4)		Other (X0)		Total Score/Rank		
Community (CVT)	Total # Housing Units	# Sheriff Deeds Issued	SD % of Total	SD Past Re-dempt (2)	% PR of Total # (2)	Residential Vacancy Rate (1)	Score	SD In Redempt (2)	# Projected FC over 18 months (1)	Risk FC / Abandon-ment (1)	Unem- ploy- mt (1)	Score	HMDA High Cost Loans	Score	LMMI Areas unless Indicated "NO"			
EASTPOINTE	12,283	1357	11.05%	1104	8.99%	7.8% - 2.1%	4.5	253	10% - 12.6%	9, 10	9.9%	5	35.7% - 50.7%	4		13.5		
NEW HAVEN	1,139	104	9.13%	73	6.41%	6.80%	2.5	31	9.4%	10		1.5	32.50%	1		5		
ROSEVILLE	17,063	1244	7.29%	992	5.81%	2.2% - 7.2%	4.5	252	8.3% - 11.6%	8, 9, 10	13.5%	5	25.6% - 44.3%	3		12.5		
MOUNT CLEMENS	7,005	411	5.87%	327	4.67%	3.6% - 9.5%	4	84	8.5% - 12.7%	8, 10		2	38.0% - 51.9%	4		10		
SHELBY TWP	18,393	870	3.64%	477	2.59%	0.2% - 7.0%	2.5	193	5.0% - 7.7%	5, 6, 7, 8, 9		2	7.1% - 22.7%	1		5.5		
CHESTERFIELD TWP	12,291	729	5.93%	562	4.57%	0.6% - 3.9%	3	167	6.4% - 7.4%	2, 6, 7, 8		1.5	15.3% - 21.3%	0		4.5		
CENTERLINE	3,424	175	5.11%	139	4.06%	3.9% - 6.3%	2.5	36	10.3%	9		2	37.9 - 38.0%	3		7.5		
HARRISON TWP	8,022	347	4.33%	276	3.44%	1.9% - 5.2%	1.5	71	3.8% - 8.1%	2, 7, 9		1	15.1 - 25.2%	2		4.5		
MACOMB TWP	17,402	761	4.37%	539	3.10%	0.5% - 3.7%	2	222	5.7% - 7.2%	5, 6, 7		2	11.4% - 16.1%	1		5		
WASHINGTON TWP	5,290	234	4.42%	154	2.91%	0.6% - 4.4%	0	80	0.6% - 1.4%	5, 6		0	9.6% - 18.7%	1		1		
RICHMOND	2,426	92	3.79%	70	2.89%	5.4%	0.5	22	7.8%	9		1	23.60%	1	No	2.5		
NEW BALTIMORE	4,687	190	4.05%	144	3.07%	2.5%	1	46	7.1%	7		0.5	19.50%	0		1.5		
FRASER	4,760	166	3.49%	123	2.58%	1.5% - 3.5%	0	43	6.5% - 8.6%	7, 8		1	15.9% - 27.8%	2		3		
ARMADA	887	30	3.38%	23	2.59%	1.5%	0	7	6.8%	7		0.5	17.70%	0		0.5		
ROMEO	1,698	55	3.24%	41	2.41%	4.4%	0	14	7.0%	8		0.5	18.70%	0		0.5		
ST CLAIR SHORES	20,898	1007	4.82%	801	3.83%	0.3% - 3.6%	3	206	6.7% - 9.1%	6, 7, 8	10.2%	3	13.6% - 29.8%	2		8		
MEMPHIS (pt)	551	12	2.18%	10	1.81%	2.2%	0	2	7.2%	7		0.5	19.80%	0		0.5		
UTICA	2,179	51	2.34%	25	1.15%	3.4% - 3.5%	0	26	7.0% - 8.4%	7, 8		0.5	18.5% - 26.7%	2		2.5		
RICHMOND TWP	1,626	33	2.03%	24	1.48%	2.2%	0	9	7.2%	7		0.5	19.80%	0		0.5		
ARMADA TWP	1,686	34	2.02%	23	1.36%	1.5%	0	11	6.8%	7		0.5	17.70%	0	No	0.5		
BRUCE TWP	3,485	57	1.64%	41	1.18%	1.8% - 7.8%	0.5	16	1.8% - 7.8%	6, 9		1	11.30%	0		1.5		
RAY TWP	1,978	30	1.52%	23	1.16%	2.3%	0	7	6.7%	7		0.5	16.90%	0	No	0.5		
LENOX TWP	2,561	32	1.25%	27	1.05%	2.9% - 6.6%	0.5	5	6.5% - 9.4%	7, 10		1.5	15.7% - 32.5%	2		4		
151,734				7,821	5.15%	6,018	3.97%	1,803										
Macomb County Needs Matrix Data Table				Foreclosure Data: Sheriff Deeds provided by MCDPED. Residential: Vacancy Rates provided by USPS via US. DHUD. Ranking Criteria: <u>SD</u> <u>PR</u> > 750 = 2 pts., >300 < 750 = 1 pt., < 300 = 0 pts. <u>PR as % of County Total</u> : > 5.0% = 2 pts., < 5.0% but > 3.0% = 1 pt. <u>Residential Vacancies</u> > 7.9% = 1 pt., 7.9% - 5.0% = 1/2 pt.				Projected Foreclosure Data: Sheriff Deeds: MCDPED. Other data: U.S. DHUD. Ranking Criteria: <u>Sheriff Deeds in Redemption</u> : 200+ units = 2 pts., 150-200 units = 1 pt., > 150 units = 0 points. <u>Projected FC (18 Months)</u> 10.9% - 14.8% = 1 point, 8.5% - 10.8% = 1/2 point, < 8.4% = 0 pts. <u>Risk of FC / Aban</u> : 9-10 = 1 pt., 7-8 = 1/2 pt., < 7 = 0 pts. <u>Unemployment</u> : 1 point awarded to localities over 9.7% rate.				Subprime Loan (Home Mortgage Disclosure Act) and LMMI Data: US. DHUD. Ranking Criteria: 45.5% - 63.2% = 4 points, 33.1% - 45.4% = 3 points, 24.1% - 33.0% = 2 points, 20.0% - 24.0% = 1 point. Points awarded based on highest concentration of subprime loans.						

B. DISTRIBUTION AND USES OF FUNDS

Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures. **Note:** The grantee's narrative must address these three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

Response:

Distribution: The matrix shows high degrees of foreclosure-induced distress in Eastpointe, Mt Clemens, and Center Line. Their populations are rough multiples of each other, increasing by a factor of 2 from Center Line to Mt. Clemens, and then to Eastpointe. Their distress levels follow a similar pattern, but one that increases by 50%, rather than doubling. These two patterns resulted in the weights applied to determine the NSP funding levels for each community. Center Line received 1 pt., the baseline, Mt. Clemens, at 2 pts., is twice that of Center Line, and Eastpointe, at 4 pts., is twice that of Mt. Clemens. By adding the weights, a factor of 7 was derived. A total of \$5,273,303 has been exclusively allocated for targeted communities. Simple math was then used to obtain grant amounts, shown in the table below.

COMMUNITY	POPULATION ²	NEEDS SCORE	WEIGHTED RATIO	TARGET ALLOCATION
Eastpointe	33,145	13.5	4	\$3,013,319.00
Mt. Clemens	16,894	10.0	2	\$1,506,658.00
Center Line	8,297	7.50	1	\$ 753,326.00
Totals	60,344		7	\$5,273,303.00

Macomb County is aware of the very high performance expectations established by Congress. Should the rate of NSP obligations or completions be jeopardized in these communities, the County would redirect funds to other projects in the communities, or to the next two distress-ranked communities, Shelby Township [5.5 pts], and the Village of New Haven [5.0 pts.]. The Urban County expects the majority of foreclosed and abandoned properties to be located in its target areas although some may be located in other, non-targeted areas. The following table shows the general distribution of funds within the Urban County jurisdiction.

² Source: July 2008 population estimates compiled by the Southeast Michigan Council of Governments.

Amended Targeting and Beneficiary Considerations - Macomb County NSP

\$9,765,375.00 – Macomb County NSP Grant Allocation

< 976,537.00> (10% planning and administration & exempt from calculation)

\$8,788,838.00 – reserved for NSP projects

<2,364,468.00> homebuyer assistance throughout the County

\$6,424,150.00 – for use in high-distress communities³

At least twenty-five percent of the NSP funds, or \$2,441,343.75, will be reserved for households ≤ 50% AMI.

The NSP will be support the following specific activities:

Proposed NSP Activities – Revised 7/1/10				
Activity	Description	Budgeted	Accomplishments	Start/End Dates
	LMMI Homebuyer Assistance – County FC Homebuyer Program.	\$3,109,086.00	40 LMMI and LI homes.	2/28/09 7/01/12
	Developer VLI Homebuyer Program - Center Line / Eastpointe / Mt. Clemens	\$1,711,086.00	19 homes	4/15/10 12/31/11
If Avail- able	Developer-Acquired Tax-Reverted Program – Center Line / Eastpointe / Mt. Clemens	\$0.00	11 homes	8/15/10 12/31/11
	Planning and Administration	\$976,537.00	Well-Executed Program	3/19/09 3/18/13
	Demolition: Center Line / Eastpointe / Mt. Clemens	\$575,000.00	19 homes	3/2010 12/2010
	Acquisition/Demolition of Kellwood School for Senior Housing Development	\$300,000.00	57 Units Sr. Housing	9/15/11 3/15/13
Future	Construct Senior Center @ Kellwood Site (From Program Income)	\$0.00	1 Public Facility	9/15/11 3/15/13
	Redevelopment of Oakwood School into 50 Units Senior Housing	\$500,000.00	50 Units Sr. Housing	9/15/10 3/15/13
	Acquisition/Demolition/Redevelopment of Kennedy Park	\$400,000.00	1 Park	9/15/10 6/15/11
	1 st Floor Redevelopment – Oakland University Mt. Clemens Campus	\$485,000.00	Educational Facility	9/15/10 3/15/12
Alternate	Complete Redevelopment-Oakland University, Mt. Clemens Campus	\$0.00	Educational Facility	9/15/10 3/15/12
	Educational Incubator Acquisition and Conversion (Project total \$2.5m from NSP)	\$1,123,184.00	Educational Facility	12/15/10 9/15/12
	Clemens Park Development	\$250,000.00	1 Park	9/15/10 7/30/11
Future	Art Park (From program income)	\$0.00	1 Park	9/15/10 7/30/11
	Harding St. Reconstruction	\$335,482.00	1 Street	5/15/11 8/30/11
Alternate	Center Line Business District Improvements	\$0.00	Public Improvements	4/15/11 8/15/11
	Activity Totals	\$9,765,375.00		

³ Each activity will benefit an income-eligible homebuyer (LMMH) or obtain an area benefit due to restrictions limiting demolition activities to LMMI census tracts and block groups.

All activities are detailed in Section G of this application.

C. DEFINITIONS AND DESCRIPTIONS

- (1) Definition of “blighted structure” in context of state or local law.

Response: *A structure is blighted when 1) it has deteriorated to the point where it constitutes a threat to human health, safety, and public welfare (as determined by the municipal building official) and the estimated cost of repair to correct those deficiencies exceeds 50% of the structure’s State Equalized Value (SEV), 2) it constitutes a nuisance to the public, or 3) it is structurally and/or functionally obsolete and therefore no longer has a useful purpose.*

Due to tight implementation deadlines and completely new and untried Program objectives, the County will directly implement its NSP instead of distributing funds to 21 participating communities for local use. This will ensure a consistent application of the Program in all communities for the life of the program. The County will use its own inspectors or will directly hire and supervise private contractors to ensure consistent inspections, enforcement of codes, and provide decent, safe, and sanitary housing.

There will be one exception to direct County administration, however, since the County intends to collaborate with Eastpointe, Mt. Clemens, and Center Line to demolish homes, if warranted due to conditions of blight. They have prior experience in condemning and demolishing properties and, therefore, the requisite expertise to administer the process pursuant to State and local law. The County will generally manage the process and ensure compliance with Federal requirements as applied in the NSP regulations. Each partner will therefore have a specific and defined role.

- (2) Definition of “affordable rents.” **Note:** Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability.

Response: *The County will provide, as a priority, homebuyer assistance in its NSP. It does not therefore intend to undertake rental projects at this time. If it did, however, the County would adhere to the term “affordable rent” as outlined in HOME Regulation 24CFR 92.252 (a), which limits rents to the lesser of the Fair Market Rents established for the area, or 30% of annual income for households whose incomes do not exceed 65% of Area Median Income.*

- (3) Describe how the grantee will ensure continued affordability for NSP assisted housing.

Response: *Macomb County will apply the affordability standards at 24CFR 92.252 (e) and (f) for rental properties and, for homebuyers, at 24CFR 92.254 (a) (1), (2), (4) and (5)(ii) (A) (1). Specifics follow:*

*a. The County will offer down-payment assistance and housing rehabilitation assistance to eligible households in order to accomplish this objective. The resulting Mortgages will carry no interest and payments will be deferred until Mortgage Default, as defined below, occurs. The Mortgages will be completely forgiven, if the property is owned and occupied by the household as its principal residence for a period of 15 years, or require repayment if the 15 year threshold is not achieved. Total NSP assistance may not exceed the greater of \$50,000, or 49% of hard costs, as defined below. In no instance can the total amount of assistance exceed \$100,000. This flexibility is necessary to ensure affordability across the range of available properties and among families at varying income levels. **With experience gained since March 2009, the County conducted a competition and awarded funding to 3 developers. Two phases are envisioned; 1) \$1.711m for VLI households and 2) an amount, depending on fund availability, of up to \$1.4m for developers for repair and soft costs of tax-reverted properties acquired from non-NSP funds. These homes will be sold to qualified VLI or LMMI households.***

b. The intent behind a rental housing activity is to create permanently affordable housing for LI renter households. Rental assistance, if provided, will likely involve a partnership with a public housing commission or other non-profit provider sharing this objective. If the former, the units assisted would become public housing and would be subject to commission rules and policies to guarantee affordability. If the latter, the properties acquired and rehabilitated

would be secured by a second mortgage to guarantee affordability. Failure by any partner to comply would result in default and require repayment of the assistance provided.

(4) Describe housing rehabilitation standards that will apply to NSP assisted activities.

Response: *The County will use the rehabilitation standard cited in its housing rehabilitation manual. The manual cites the State of Michigan Residential Building Code (for existing dwelling units) and, when applicable, HQS standards.*

Macomb County NSP Definitions: *In addition to the above definitions, the County has provided basic terms that will govern its Homebuyer Purchase and Rehabilitation Assistance Program.*

Macomb Urban County: *The term “Urban County” is defined by CDBG regulation. The Macomb Urban County is comprised of 21 participating jurisdictions, excluding Clinton Township, and the Cities of Roseville, St. Clair Shores, Sterling Heights, and Warren. For purposes of this application and NSP implementation, unless otherwise noted, the terms Macomb County and Macomb Urban County are interchangeable.*

Macomb County Neighborhood Stabilization Program: *A program funded by the U.S. Department of Housing & Urban Development to provide emergency assistance to acquire and redevelop foreclosed or abandoned properties within the Macomb Urban County jurisdiction, that might otherwise become sources of abandonment and blight. The County’s NSP will focus on those communities with the highest degree of foreclosure distress: Eastpointe, Mt. Clemens, and Center Line.*

Purchase Price: *The amount needed to acquire a home, including reasonable closing costs*

Rehabilitation Costs: *Amount of Rehabilitation Contract and any used contingency amounts for repairs needed to make the home decent, safe and habitable (including unforeseen and validated costs discovered during the course of rehabilitation) and in compliance with the State of Michigan Building Code for Existing Structures, plus any amounts for energy efficiency items selected by the homeowner.*

Hard Costs: *The sum of the Purchase Price and the Rehabilitation Costs for a property. The maximum of Hard Costs (including private investment) for a home receiving NSP assistance is \$226,100.*

Mortgage Default: *Mortgage Default occurs when or if...*

- 1. the mortgaged property ceases to be the primary residence of the NSP borrower, or if there is more than one borrower, of at least one of the borrowers.*
- 2. the home is rented, sold, or title transferred in any way, or if the borrower fails to timely pay property taxes, or to maintain adequate fire and hazard insurance to cover all outstanding mortgages.*
- 3. the homeowner refinances the mortgaged property and the new mortgage does not meet County standards to allow mortgage subordination to the new mortgage.*

Current Appraised Market Value (CMAV): *is the value of property reported on a Uniform Residential Appraisal Report. The appraisal must be performed (and signed and dated) by a Certified Residential Real Estate Appraiser, and be no older than 60 days from the date of a purchase offer for that property. For purposes of mortgage repayment only, if the homeowner does not provide an appraisal, CMAV can be established at an amount equal to two times the current State Equalized Value, as substantiated by property tax records.*

Abandoned Home: *A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, when no mortgage or tax payments have been made by the property owner for at least 90 days, and the property has been vacant for 90 days.*

Foreclosed Home: *A home upon which title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state law.*

Down-Payment Mortgage (DPM): *A mortgage given to an NSP beneficiary from NSP funds in order to purchase a foreclosed home in Macomb County, to be used as the NSP beneficiary’s primary residence. The combined total of*

the DPM and HRM (see below) may not exceed \$50,000, or 49%, of hard costs, whichever is greater, (with an ultimate combined NSP assistance limit of \$100,000). The DPM will carry a 0% interest rate, and payments on the mortgage are deferred until Mortgage Default, as defined above, occurs. If Default occurs within the 15-year period of affordability, the Mortgage becomes due and payable in full. The DPM is forgiven if Default occurs after the 15-year period of affordability expires.

Housing Rehabilitation Mortgage (HRM): *A mortgage given to an NSP beneficiary from NSP funds in order to finance rehabilitation of a foreclosed home located within Macomb County, purchased through the NSP, to be used as the NSP beneficiary's primary residence. The combined total of DPM and HRM may not exceed \$50,000, or 49%, of hard costs, whichever is greater, (with an ultimate assistance limit of \$100,000). The HRM will carry a 0% interest rate, and payments on the mortgage will be deferred until Mortgage Default, as defined above, occurs. If Default occurs within the 15-year period of affordability, the Mortgage becomes due and payable in full. The HRM is forgiven if Default occurs after the 15-year period of affordability expires.*

Soft Costs: *Amounts used to finance and implement distribution of NSP funds on a particular property. These amounts include but are not limited to appraisals, homebuyer counseling, housing inspections, lead based paint inspections and clearances, costs of staff time involved in the activity delivery, office expenses, necessary mileage charges and other costs necessary to the administration and completion of a home purchase and rehabilitation of the home. These amounts will be financed with NSP funds but will not be charged to the homebuyer nor require repayment.*

Development Costs: *The sum of Hard Costs plus Soft Costs*

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: *\$34,950 for a 4 person household for the Detroit-Livonia-Warren metropolitan area.*

Note: At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income.

Response: *Macomb County will ensure that a minimum of \$2,441,343.75 is used to benefit households \leq 50% AMI. The income limits, based on household size, follow⁴:*

1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
\$24,450	\$27,950	\$31,450	\$34,950	\$37,750	\$40,550	\$43,350	\$46,150

The County's NSP will primarily assist homebuyers. Staff will verify the income-eligibility of all potential homebuyers and will therefore be able to monitor progress in meeting the LI benefit objective. Should that become doubtful, the County would investigate root cause, and adjust its activities accordingly, possibly through implementing the rental activities already described. The County will advise HUD of any changes to objectives and/or activities through the DRGR.

E. ACQUISITIONS & RELOCATION

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., \leq 80% of area median income).

If so, include:

⁴ Source: U.S. Department of Housing and Urban Development, HUD Section 8 Income Limits for the Detroit-Warren-Livonia metro area.

- The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Response: Metropolitan Detroit, like other metropolitan areas, has a large and increasing number of vacant homes and too few buyers for them. It is unique, however, in that its economic base, heavy manufacturing, is at extreme risk. This could, in a worst-case scenario, cause further and extensive population decline and leave immense numbers of homes vacant and deteriorating. It could also compromise Regional economic viability and growth for years. Prices could decline and remain depressed until the economy recovers. Increased availability and reduced prices would predict that it is highly unlikely that the number of dwelling units affordable to low- and moderate-income households will diminish.

Physical conditions in some neighborhoods within the target communities therefore demand some demolition. All have older and modest housing units, and all have blighted properties that are beyond repair, or threaten to further erode the surrounding neighborhoods. It is reasonable to assume that most, if not all, are affordable to LMMI households, and are therefore subject to the preceding question, which is answered as follows:

- *We may demolish as many as 57 homes with NSP funds.*
- *We may provide 85 units of vacant and foreclosed housing to LMMI households with NSP funds.*
- *Roughly one-quarter of the total number of units to be provided to LMMI households will be reserved for LI families.*

As indicated, there should be no decrease in the number of housing units affordable to LMMI households as a result of NSP-assisted demolition.

Macomb County does not intend to engage in any activity that would trigger the Uniform Acquisition and Relocation Act. Should that inadvertently happen, however, compliance would be obtained.

F. PUBLIC COMMENT

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Response: In addition to posting the Substantial Amendment on the County's website, it consulted with member and peer communities, and with select stakeholders to obtain feedback concerning the program. The Amendment generated considerable interest, but no comments that evaluated the Plan were received.

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

Activity 1

(1) Activity Name: *Homebuyer Purchase and Rehabilitation Assistance*

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Eligible Use (A), CDBG Regulations 570.201 (n) and 570.202*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income). *LMMH*

(4) Projected Start Date: *2/28/09 (Launch)*

(5) Projected End Date: 7/01/12 (Complete)

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *Macomb County Department of Planning and Economic Development, One South Main St., Mt. Clemens, MI 48043, Michael Rozny, Manager, Community Development*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *Originally, 40% of the NSP (minus planning & administration) could have been used throughout the Urban County and 60%. A total of \$4,593,303 is exclusively targeted for this activity in Eastpointe, Center Line, and Mt. Clemens.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

Homebuyer purchase and housing rehabilitation assistance – This activity will consist of three components: 1) a Down Payment Mortgage, to reduce the purchase price on a foreclosed property; 2) a Housing Rehabilitation Mortgage, if required to meet State Building code, as defined previously, and 3) Soft Costs. The DPM and HRM will be secured by second and third mortgages on the property.

Homebuyers seeking NSP assistance will complete an application and submit documentation to the Macomb County Planning and Economic Development Department. The following process will be followed:

- Establish applicant eligibility, considering income and assets. The County will calculate income using IRS Form 1040 Adjusted Gross Income Method. Applicant incomes must fall below 120 percent of area median income. The applicant cannot have current liquid assets exceeding \$50,000.00, and cannot currently own a home.*
- Local partners, including HUD-approved counseling agencies and local lenders, will also evaluate the applicant's credit-worthiness. The applicant must complete at least 8 hours of homebuyer counseling from a HUD-approved housing counseling agency. The applicant must also be approved by a lender for a fixed rate loan, at or near the best available conventional rate, including FHA-insured mortgages and MSHDA mortgages, for a term not to exceed 40 years.*
- The lender must provide a written statement consenting to placing DPM and HRM (as defined previously), payable to the County of Macomb, on any property that the first mortgage would be used to purchase.*
- Based on the amount of loan pre-approved, the applicant will receive a list of potential vacant foreclosed single family properties, including HUD-owned properties, from lists of tax and mortgage foreclosures, the HUD website, local records and neighborhood research. The applicant may also identify a foreclosed, abandoned property of his/her choosing for purchase.*
- All properties will have been pre-negotiated to be available for sale at a discount from their current appraised value. The average purchase discount required from the seller will be 15% from the current market appraised value (CMAV), with few exceptions made in extraordinary instances. In no instance would the discount fall below 5% of CMAV.*
- The NSP DPM will reduce interest rates, mortgage principal, and pay reasonable closing costs, thereby achieving the long-term affordability objective, including as an objective, Private Mortgage Insurance fees.*

- *Housing units acquired through the program may require rehabilitation in order to make them decent, safe, habitable and in compliance with the State's Building Code (see above definitions). The County will therefore provide a HRM for eligible Rehabilitation Costs secured by a lien on the property.*
- *The total of NSP assistance will not exceed the greater of \$50,000 or 49% of hard costs. The maximum Hard Costs for a home receiving NSP assistance is \$226,100.*

County Staff will assist the homebuyer in: application preparation, determining applicant eligibility, property inspections, cost estimates, contractor bid process, preparing construction contract, an inspection to ensure contract compliance. (These are considered Soft Costs (see County definitions above), and will not be repaid by the NSP beneficiary).

For housing related activities, include:

- *tenure of beneficiaries--rental or homeownership; the NSP will assist households that do not currently own homes and intend, after purchase, to own and occupy their homes indefinitely.*
- *duration or term of assistance; both the DPM and HRM will be effective while the homebuyer owns and occupies the property, and will be repayable upon default if within 15 years of purchase. They will be forgiven if the owner owns and occupies the property as its principal residence for 15-years after purchase. Specifics for a rental program have not been determined due to the priority for homebuyer assistance.*
- *a description of how the design of the activity will ensure continued affordability. Affordability was a key consideration in the design of the Macomb County NSP as indicated by the following:*
 - *both the DPM and the HRM carry no interest and are not payable until default occurs. They are completely forgiven if the homebuyer uses the home as its principle residence for at least 15 years. This policy is intended to encourage long-term residence by the assisted homebuyer.*
 - *The DPM is intended to insure that 20% of the purchase price is not lender-financed, thereby eliminating the need for Private Mortgage Insurance (PMI) and the fees associated with it.*
 - *The rehabilitation loan, moreover, allows the buyer the option of installing energy-saving improvements, including windows, insulation, HVAC systems, refrigerators and stoves. This will help the family lower operating costs, thereby encouraging long-term affordability.*

For acquisition activities, include:

- *discount rate An overall purchase discount of 1% will be charged pursuant to NSP regulation J.*

For financing activities, include:

- *range of interest rates Both the DPM and the HRM are no interest and payment is deferred until the time of Mortgage Default. Both are completely forgiven after 15 years.*

I. Total Budget: (Include public and private components) *Projected costs follow. The program is not expected to quickly generate program income, and none is therefore included in the budget.*

<i>HOMEBUYER ASSISTANCE</i>	<i>NSP</i>	<i>PRIVATE</i>
<i>County Homebuyer Assistance⁵</i>	<i>\$3,109,086.00</i>	<i>\$4,696,856.00</i>

We expect to generate program income from the sale of homes renovated by developers and sold to qualified buyers. Income received before March 19, 2013 will be applied to other eligible NSP uses including, or return them to the US Treasury, if received after that date, pursuant to NSP regulation N 1 and 2, as appropriate.

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

⁵ *Estimated at 40% of NSP grant, excluding planning & administration.*

Total Number of Units to be acquired and rehabilitated: 85

Total Number of Units assisting Persons \leq 120% AMI: 85 (includes households \leq 50% AMI)

Total number of units assisting households \leq 50% AMI: 23

Activity 2

(1) Activity Name: **Property Demolition**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Eligible Use (D), CDBG Regulations 570.201 (d)*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., \leq 120% of area median income). *LMMA – This activity is restricted to eligible Census Tract and Block Group areas.*

(4) Projected Start Date: *2/28/09 (Launch)*

(5) Projected End Date: *7/01/12 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *Demolition will be jointly managed by Macomb County staff and staff of the targeted municipalities. Macomb County Department of Planning and Economic Development, One South Main St., Mt. Clemens, MI 48043, Michael Rozny, Manager, Community Development.*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *Its is too early to provide specific addresses, but demolition is limited to the Cities of Eastpointe, Mt. Clemens, and Center Line. All are severely blighted and/or foreclosure-distressed. Demolition is restricted to qualifying census tracts and block groups. See attached maps showing LMMA areas.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income. *The Cities of Center Line, Eastpointe, and Mt. Clemens indicate a need to demolish blighted structures that threaten to further erode the neighborhood viability. The County has therefore allocated funds for this purpose. The average estimated per unit cost is \$10,000. Re-use will be determined for individual properties, unless they have been identified as being hazardous to public health and/or safety. Demolition will be limited to vacant or abandoned property.*

This activity carries risk since the municipality involved would use its powers to demolish privately-held property. Demolition will be limited to instances where neglect and/or abuse require intervention to preserve public safety and/or neighborhood integrity, and will be implemented in conformance with established, acceptable local procedures. The County will require due care before authorizing any demolition. NSP procedures and safeguards have yet to be developed.

For housing related activities, include: *Not applicable for demolition activities.*

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: *Not applicable for demolition activities.*

- discount rate

For financing activities, include: *Not applicable for demolition activities.*

- range of interest rates

I. Total Budget: (Include public and private components) *Projected costs are outlined below: This activity should not generate program income, and none is therefore included in the budget.*

	<i>NSP</i>	<i>PRIVATE</i>
<i>Demolition of Blighted Properties</i>	<i>\$575,000</i>	<i>\$0.00</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Total Number of Units to be demolished: 57

Total Number of Units assisting Persons ≤ 120% AMI: Since demolition is limited to qualifying census tract and block group areas, it is assumed that both the LMMI and AMI targets will be met.

Activity 3

(1) Activity Name: ***Program Planning & Administration***

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Citation (H), CDBG Regulations 570.205 and 570.206*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). *Presumed*

(4) Projected Start Date: *10/12/08 (Launch)*

(5) Projected End Date: *7/01/12 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *Macomb County Department of Planning and Economic Development, One South Main St., Mt. Clemens, MI 48043, Michael Rozny, Manager, Community Development*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *One South Main St., Mt. Clemens, MI 48043*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income. ***Planning and Administration – Ten percent of the grant has been reserved to cover legitimate costs of program planning and implementation Anticipated costs include salaries and benefits, mileage, office expenses, and contractual help if and as necessary, e.g. appraisers and rehabilitation inspectors) deemed necessary to implement the program and achieve compliance with law and regulation.***

For housing related activities, include: *N/A*

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: *N/A*

- discount rate

For financing activities, include: *N/A*

- range of interest rates

I. Total Budget: (Include public and private components) *Projected costs are outlined below:*

	<i>NSP</i>	<i>PRIVATE</i>
<i>Planning & Administration</i>	<i>\$976,537.00</i>	<i>\$0.00</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent): *A well-planned and executed program.*

Activity 4

(1) Activity Name: *Harding Street Reconstruction – City of Center Line*

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Use (E), CDBG Regulation 570.201 (c)*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income). *LMMA*

(4) Projected Start Date: *9/15/10 (Launch)*

(5) Projected End Date: *8/01/11 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *The County and the City of Center Line will enter into a sub-recipient agreement to administer this project. The City is located at 7070 E. Ten Mile Rd., Center Line MI 48015. The responsible official will be John Michrina, City Manager, who may be reached at 586/757/6800.*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *Harding St. between Van Dyke and Lorraine Ave. The street is the boundary between Census Tract 2680, Block Groups 2 and 3. Both are LMMI areas.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income. *The City of Center Line has continually invested in infrastructure and services, thereby providing an excellent quality of life for residents. The results are apparent, with well-tended residences and a stable business district. Cracks are, however, beginning to show since:*

- 1) the population is aging,*
- 2) many young families have moved to other communities,*
- 3) the City has fully shared the region's economic misfortunes, and*
- 4) the City has been hard-hit by home foreclosures.*

As a result, Center Line is now poorer than in the past, has many foreclosed homes, faces a pent-up demand for improvements for infrastructure and services, and has a declining tax base from which it can address these challenges. Vacant and foreclosed homes are found on any street. As a result, Center Line can no longer continue the historic level of investment that succeeded so well. The City is therefore at a crossroads and must either act decisively in order to maintain its quality of life and remain viable, or face a very uncertain future.

Harding Street between Van Dyke and Lorraine is badly deteriorated and must be reconstructed. Anticipating repair, the City obtained project engineering, but could not afford to proceed. Harding Street is purely residential with 8 currently vacant, foreclosed homes and 4 to 8 additional foreclosures expected over the next 18 months. The street conditions will discourage buyers, further destabilizing the neighborhood and creating blight. It is therefore critical that Harding St. be reconstructed. This project is therefore the City's most

important redevelopment objective, and the City will use its remaining NSP funds to bring Harding Street to acceptable standards.

For housing related activities, include: *Ultimately this project will foster the resale of from 8 to 12 homes over the next two years, thereby enhancing resident confidence, and neighborhood stability. Some of these homes will be purchased and redeveloped by developers, and sold to families, through the NSP. Should market conditions not allow sale, they could be rented by the developer. The assisted households can be either VLI or LMMI. Other homes will be privately acquired and occupied.*

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: *N/A*

- discount rate

For financing activities, include: *N/A*

- range of interest rates

I. Total Budget: (Include public and private components) *Projected costs are outlined below:*

	<i>NSP</i>	<i>PRIVATE</i>
<i>Redevelopment Use E</i>	<i>\$335,482</i>	<i>\$0.00</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

A reconstructed street, and the purchase and re-occupancy of vacant, foreclosed homes that front (or will front) it. This will enhance stability and continued quality of life for residents. NSP-assisted homebuyers will be both VLI and LMMI.

Activity 5

(1) Activity Name: *Redevelopment of Van Dyke and 10 Mile Business Districts – City of Center Line*

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Use (E), CDBG Regulation 570.201 (c)*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). *LMMA*

(4) Projected Start Date: *9/15/10 (Launch)*

(5) Projected End Date: *8/01/12 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *The County and the City of Center Line will enter into a sub-recipient agreement to administer this project. The City is located at 7070 E. Ten Mile Rd., Center Line MI 48015. The responsible official will be John Michrina, City Manager, who may be reached at 586/757/6800.*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *The project's primary focus is along Van Dyke Ave. between Stephens and 11 Mile Rd. and, secondarily, along Ten Mile Rd. between Sherwood and Lorraine Aves., all Census Tracts 2680 are therefore affected. All are LMMI areas.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income *The City of Center Line has continually invested in infrastructure and services, thereby providing an excellent quality of life for residents. The results are apparent, with well-tended residences and a stable business district. Cracks are, however, beginning to show since:*

- 5) *the population is aging,*
- 6) *many young families have moved to other communities,*
- 7) *the City has shared the region's economic misfortunes, and*
- 8) *the City has been hard-hit by home foreclosures.*

As a result, Center Line is now poorer than in the past, has many foreclosed homes, faces a pent-up demand for improvements in infrastructure and services, and has a declining tax base from which it can address these challenges. Vacant and foreclosed homes are found on any street. As a result, Center Line can no longer continue the historic level of investment that succeeded so well. The City is therefore at a crossroads and must either act decisively in order to maintain its quality of life and remain viable, or face a very uncertain future.

The City's business strips, on Van Dyke Ave. and 10 Mile Road, have been economic engines for the community. Due to a lack of investment capital, however, the area looks worn and doesn't entice the shopper. These improvements no longer entice the buyer and are, in effect, functionally obsolete. There is therefore an acute need for improvements, including lighting, sidewalk enhancements, benches, other street amenities, and permanent plantings along these strips. This would spur the shopper's interest and spur investment by business owners.

Re-Use: *There is no change in use. The City would use NSP funds for these improvements, and coordinate them with funds available to the business community. The entire City qualifies as a LMMI area and this project would benefit all residents, who are the district's target customers.*

For housing related activities, include: *This is not a housing activity, although the businesses are strips that bisect the community and directly abut residential neighborhoods. The condition, and use, of these strips therefore directly and materially affects conditions of the abutting neighborhoods. Center Line has 1.5 square miles of land mass, and blight, if it takes root, would soon affect the entire community. This must not be allowed to happen.*

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: *N/A*

- discount rate

For financing activities, include: *N/A*

- range of interest rates

I. Total Budget: (Include public and private components) *Projected costs are outlined below:*

	<i>NSP</i>	<i>PRIVATE</i>
<i>Redevelopment Use E</i>	<i>\$335,482</i>	<i>\$500,000.00</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

A revitalized Van Dyke Business district running from Stephens on the City's southern border to 11 Mile Rd. on its northern one, and a revitalized 10 Mile Business district running from Lorraine in the east to Sherwood in the west.

This will enhance stability and continued quality of life for residents. NSP-assisted homebuyers will be both VLI and LMMI.

Activity 6

(1) Activity Name: *Kellwood School Acquisition, Demolition and redevelopment*

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Use (E), CDBG Regulation 570.201 (a)*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). *LMMH*

(4) Projected Start Date: *9/15/10 (Launch)*

(5) Projected End Date: *7/01/12 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *The County and the City of Eastpointe will enter into a sub-recipient agreement to administer this project. The City is located at 23200 Gratiot Ave., Eastpointe, MI 48021. The responsible official will be Randy Altimus, Acting City Manager, who may be reached at 586/445/5016.*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *The project would be located at the Kellwood School site, 19600 Stephens Rd., Eastpointe. Although the project is a direct benefit housing activity, it is located in CT 2580.03.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The City of Eastpointe is experiencing rapid population shifts and has been hurt by severe economic loss. The population in Eastpointe has declined from 45,920 in 1970 to 34,077 in 2000. Its population is aging and is not being replaced by younger families. As a result, the school district no longer needs the number of schools that it once did. Five school facilities have or will soon close, and won't be needed for many years, based on current population projections. The district is, moreover, reeling from declining tax revenues and cannot afford to keep these buildings.

These buildings sit on acreage, something rare in a fully developed community like Eastpointe. The City sees potential in these sites and plans to capitalize on them by providing redevelopment opportunities for projects that will enhance the community. In so doing, it will reduce administrative burden and cost on the East Detroit School District, enhance municipal tax revenues through re-use, slow and reverse population out-migration, prevent blight, and foster community pride. Kellwood Elementary School was permanently closed at the end of the 2010 school year.

Re-Use: *The City of Eastpointe will purchase the property, demolish the school building, and turn it over to a developer who would build low- to moderate-income senior housing (with HUD Section 202 funding). We are also exploring the possible construction of a senior center, to be paid from NSP-derived program income. This action would allow the City to put the 3 acre piece of property back on the tax rolls, which would help both the school and City. The development would provide affordable senior housing that is not available in Eastpointe currently.*

Alternate Re-Use: *Should the proposed use fail, the City will advertise the property for another use, thereby ensuring satisfaction of project completion by March 19, 2013.*

For housing related activities, include: *The project would provide 58 units of rental housing, 57 1-bedroom units rented at Section 202 rates, to income-eligible senior households. The project would be governed by Section 202*

rules, and would be affordable for the time required under those terms. The other unit would be a two-bedroom unit, rented at market rates, to the property manager. The senior center, if constructed, would benefit elderly residents of the City. Elderly people are presumed to be lower-income pursuant to 24CFR 570.208 (a)(2).

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: *N/A*

- discount rate

For financing activities, include: *N/A*

- range of interest rates

I. Total Budget: (Include public and private components) *Projected costs are outlined below:*

	<i>NSP</i>	<i>PRIVATE</i>
<i>Redevelopment Use E</i>	<i>\$300,000.00</i>	<i>TBD</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Redevelopment of the Kellwood School site will create 58 units of new rental housing and will provide additional options for an aging population. Construction of a senior center would also provide all senior residents an attractive and convenient location to congregate and engage in positive activities. It would also reduce administrative burden and cost on the East Detroit School District, enhance municipal tax revenues through re-use, slow and reverse population out-migration, prevent blight, and foster community pride.

Activity 7

(1) Activity Name: *Oakwood School Acquisition and Redevelopment*

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Use (E), CDBG Regulation 570.201 (a)*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). *LMMH*

(4) Projected Start Date: *9/15/10 (Launch)*

(5) Projected End Date: *7/01/12 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *The County and the City of Eastpointe will enter into a sub-recipient agreement to administer this project. The City is located at 23200 Gratiot Ave., Eastpointe, MI 48021. The responsible official will be Randy Altimus, Acting City Manager, who may be reached at 586/445/5016.*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *The project would be located at the Oakwood School site, 14825 Nehls Rd., Eastpointe. Although the project will involve direct-benefit housing, the site is located in CT2589.01.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The City of Eastpointe is experiencing rapid population shifts and has been hurt with severe economic loss. The population in Eastpointe has declined since 1970. It has gone from 45,920 in 1970 to 34,077 in 2000. Its population is aging and is not being replaced by younger families. As a result, the school district no longer needs the number of schools that it once did. Five school facilities have or will soon close, and won't be needed for many years, based on current population projections. The district is, moreover, reeling from lost tax revenues and cannot afford to keep these buildings.

These buildings sit on acreage, something rare in a fully developed community like Eastpointe. The City sees potential in these sites and plans to capitalize on them by providing redevelopment opportunities for projects that will enhance the community. In so doing, it will reduce administrative and cost burden on the East Detroit School District, enhance municipal tax revenues through re-use, slow and reverse population out-migration, prevent blight, and foster community pride.

The Oakwood Middle School will permanently close in August 2010.

Re-Use: The City of Eastpointe will purchase the property in its entirety from the East Detroit School District and turn it over to a developer for conversion into senior housing that is affordable to households \leq 120% AMI. This action would put the 10-acre property back on the tax rolls and help both the school district and City. The two-storey building has over 100,000 square feet available for the developer to create a senior living center, including 60 residential units, a gymnasium (and kitchen) for recreation and social and community events, a library for leisure and continuing education, and even a shop (for hobbies and minor repairs). The development would provide affordable senior housing that is not available in Eastpointe currently.

Alternate Re-Use: Should the development fail, the City will advertise the property for an alternate re-use, thereby ensuring satisfaction of program requirements dictating project completion by March 19, 2013.

For housing related activities, include: The project would provide at least 50 units of rental housing, rented at rates affordable to LMMI senior households. The developer will use 9% tax credit financing for this project. Elderly people are presumed to be lower-income pursuant to 24CFR 570.208 (a)(2).

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: N/A

- discount rate

For financing activities, include: N/A

- range of interest rates

I. Total Budget: (Include public and private components) Projected costs are outlined below:

	<i>NSP</i>	<i>PRIVATE</i>
<i>Redevelopment Use E</i>	<i>\$500,000.00</i>	<i>TBD</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Redevelopment of the Oakwood School site will create at least 60 units of new rental housing and will provide additional housing options for an aging population. The developer wants to fully utilize the former school's facilities (gym, kitchen, library and woodshop?) and create a complete roster of living and recreational options. The project would also reduce administrative burden and cost on the East Detroit School District, enhance municipal tax revenues through re-use, slow and reverse population out-migration, prevent blight, and foster community pride.

Activity 8

(1) Activity Name: *Kennedy Park Redevelopment – City of Eastpointe*

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Use (E), CDBG Regulation 570.201 (c)*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income). *LMMA*

(4) Projected Start Date: *9/15/10 (Launch)*

(5) Projected End Date: *7/01/12 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *The County and the City of Eastpointe will enter into a sub-recipient agreement to administer this project. The City is located at 23200 Gratiot Ave., Eastpointe, MI 48021. The responsible official will be Randy Altimus, Acting City Manager, who may be reached at 586/445/5016.*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *The project would be located at Kennedy Park, 24681 Schroeder, Eastpointe. It is located in CT2581.02.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

Kennedy Park is a large outdoor recreation facility, serving the entire community. The 43 year old City Pool complex at Kennedy Park, consisting of two pools, restroom/bath house, concession area and parking lot, was recently closed due to the deteriorating structural and functional condition of various systems including plumbing in the restrooms and shower area, cement that is heaving and deteriorating both inside and outside the structures, leaking pool shell/liner, and crumbling sidewalks and parking lot. Pool complex renovation and repairs are estimated at over \$2.0 million. This comes at a time when the city has been forced, due to declining tax revenues, to make drastic budget cuts to remain financially solvent. This leaves the City with deteriorated areas at a major City facility resulting in blight. Addressing these areas would remove present blight in the neighborhood, enable the City to replace the pool facility with new types of recreation facilities which residents have requested, such as a skate board park for teens, pickleball courts for seniors, an additional picnic shelter and adequate parking, and enable other badly needed and essential improvements to Kennedy Park, including the demolition of a former press box and a restroom building that are in disrepair.

Re-Use: The City will Demolish the pool complex, adjacent pool parking lot, the press box, and bathroom facility in the park. Purchase and install a pre-fabricated restroom facility, repave the parking lot and sidewalks, (including painted parking space lines, bumper curbs). Install new energy-efficient lights for the parking lot, and add a skateboard facility, two pickleball courts, picnic shelter and improve sports field conditions at the soccer/baseball area. The park is a major land use and a attraction for residents. The deteriorating conditions threaten, however, its vitality. Redevelopment will ensure that the park remains a vital part of the surrounding neighborhood for the foreseeable future.

Alternate Re-Use: Another use is not necessary. The park already exists and will continue to be dedicated for public recreation. Failure to replace the aging improvements will, however, diminish the park's usefulness, and will contribute to neighborhood blight.

For housing related activities, include: *N/A. This is not a housing project.*

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: *N/A*

- discount rate

For financing activities, include: *N/A*

- range of interest rates

I. Total Budget: (Include public and private components) *Projected costs are outlined below:*

	<i>NSP</i>	<i>PRIVATE</i>
<i>Redevelopment Use E</i>	<i>\$400,000.00</i>	<i>TBD</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Redevelopment of Kennedy Park will remove a blighting influence in the community and promote positive recreational pursuits by residents of all ages.

Activity 9

(1) Activity Name: ***Clemens Park Development – City of Mt. Clemens***

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Use (E), CDBG Regulation 570.201 (c)*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). *LMMA*

(4) Projected Start Date: *9/15/10 (Launch)*

(5) Projected End Date: *7/01/12 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *The County and the City of Mt. Clemens will enter into a sub-recipient agreement to administer this project. The City is located at One Crocker Blvd., Mt. Clemens, MI 48043. The responsible official will be Bonnie McInerney, Community development Director, who may be reached at 586/469/6818 x 901.*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *The project would be located at Clemens Park, Mt. Clemens, in CT2451.02.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The area proposed for redevelopment is located in the poorest area of the City of Mount Clemens, and immediately adjacent to Clemens Park. The properties are contiguous, severely blighted, and dangerous homes that have been deteriorating for years. Purchased several years ago and owned by a developer for their redevelopment potential they stand neglected, a victim of a deteriorating economy. The developer now lacks the financial means to complete his plans, or even to demolish or repair them. The homes attracted vagrants and malcontents, and were the subject of numerous police and fire reports before being demolished with NSP funding in June and early July.

This creates a significant opportunity to eliminate blight, remove dangerous conditions, and expand recreational opportunities for VLI residents. The City will therefore use NSP funds to acquire the properties, annex the land to Clemens Park, and make improvements to the newly acquired portion. They have already been demolished. This proposal conforms with the City's master plan indicating a need for additional park land. The park will primarily benefit residents of the immediate surrounding (and lowest income) neighborhood in the City. In

addition, blight removal will help stabilize the neighborhood and improve the City's appearance to the hundreds of motorists who drive along Gratiot Avenue every day.

Re-Use: The City will acquire the land, demolish the existing structures, deed the land to the park, and install improvements, including benches, picnic tables, and other passive recreational amenities. The sum effect will be a larger park to be used by the City's poorest residents.

Alternate Re-Use: Another use is not necessary. The park already exists and will continue to be dedicated for public recreation. Failure to buy the land and install improvements will diminish the impact of the demolition that has already occurred, but even this diminished activity would have had a significant impact on the quality of life in the neighborhood.

For housing related activities, include: *N/A. This is not a housing project.*

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: *N/A*

- discount rate

For financing activities, include: *N/A*

- range of interest rates

I. Total Budget: (Include public and private components) *Projected costs are outlined below:*

	<i>NSP</i>	<i>PRIVATE</i>
<i>Redevelopment Use E</i>	<i>\$250,000.00</i>	<i>\$0.00</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent): *The acquisition and development of Clemens Park will remove a blighting influence in the community and promote positive recreational pursuits by residents of all ages.*

Activity 10

(1) Activity Name: *Conversion of Office Building for Oakland University Mt. Clemens Satellite Campus*

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Use (E), CDBG Regulation 570.202 (a) (3).*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). *LMMI*

(4) Projected Start Date: *9/15/10 (Launch)*

(5) Projected End Date: *7/01/12 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *The County and Oakland University will enter into a sub-recipient agreement to administer this project. Oakland University is located at 2200 Squirrel Rd., Rochester Michigan, 48309. The responsible official is Kathryn Wrench, who may be reached at 248/370/2552.*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *The project is located at 20 S. Main St., Mt. Clemens, MI, CT2453.01.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The Mt. Clemens Central Business District has one of the highest commercial property vacancy rates in the metropolitan Detroit region. The project facility (20 Main Street, Towne Square II) is completely vacant and has been for sale or lease at below market rates for more than a year. Several Mt. Clemens commercial facilities and numerous residential facilities are in foreclosure. Renovation of the facility and changing it to educational use will not only fill the building and provide collegiate learning opportunities to area residents, but it will reduce commercial vacancies in the business district by over 27,000 square feet. The presence of a state university facility within the business district, and the added traffic of its faculty, staff and students during both day and evening hours, will fill vacant space as well as provide an economic stimulus to other businesses in the area.

The Oakland University Mt. Clemens Satellite Campus will offer upper division undergraduate courses, and graduate-level courses, to non-traditional, and lower-income students residing in the Gratiot corridor. It will complement the lower division courses offered at the Macomb Community College Central Campus, and create a virtual four-year college within Macomb County. The intended users are residents of the Gratiot corridor, from Eastpointe to Richmond, who do not have the financial means of obtaining a four-year degree. This facility will offer them a low-cost way to obtain a quality education, advance their education, and compete on better footing with those who choose more traditional venues. These students will primarily be LMMI residents.

Re-Use Alternative A: Renovate, subject to limited funding, the first floor to prepare it for instructional purposes. Add fire suppression system to protect the entire building.

Re-Use Alternative: Renovate, subject to sufficient funding, both the first and second floors to completely prepare Towne Square II for instructional purposes, and maximize the potential for disadvantaged students to receive an academic experience while stimulating the local economy.

For housing related activities, include: *N/A. This is not a housing project.*

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: *N/A*

- discount rate

For financing activities, include: *N/A*

- range of interest rates

I. Total Budget: (Include public and private components) *The projected costs are outlined below:*

	<i>NSP</i>	<i>OAKLAND UNIVERSITY</i>	<i>TOTAL</i>
<i>Redevelopment Use E – Plan A</i>	<i>\$485,000.00</i>	<i>\$504,000.00</i>	<i>\$989,000.00</i>
<i>Redevelopment Use E – Plan B</i>	<i>\$1,583,750.00</i>	<i>\$504,000.00</i>	<i>\$2,087,750.00</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Redevelop a functionally obsolete office building into satellite campus of major state university. The primary beneficiaries will be LMMI students living along the Gratiot corridor.

Activity 11

(1) Activity Name: *Conversion of Office Building for Educational Incubator*

(2) Activity Type: (NSP eligible use & CDBG eligible activity) *NSP Use (E), CDBG Regulation 570.202 (a) (3).*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income). *LMMI*

(4) Projected Start Date: *9/15/10 (Launch)*

(5) Projected End Date: *7/01/12 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *Macomb County will buy the property and then enter into a sub-recipient agreement with the Mt. Clemens Downtown Development Authority to maintain and promote it for reuse as an educational incubator. Macomb County is located at One S. Main St., Mt. Clemens 48043. The responsible official is Michael Rozny, who may be reached at 586/469/6451*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *The project is located at 85 N. Main St., Mt. Clemens, MI, CT 2453.01.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The Mt. Clemens Central Business District has many vacant buildings, with several in foreclosure. One such is the property at 85 N. Main Street. The County would acquire and renovate the property, and turn it over to the Mt. Clemens Downtown Development Authority, which would ultimately sell or lease the property to a major college or university for use as a higher learning center. This would return the building to productive use, provide college-level opportunities for LMMI residents, inject a large number of students and faculty into the downtown's daytime population, and provide a significant economic stimulus to the City's downtown area.

Re-Use: *Acquire and convert the property from office to educational uses.*

Re-Use Alternative: *Should the project not materialize, the property would be re-marketed for another use in order to comply with the March 19, 2013 completion deadline.*

For housing related activities, include: *N/A. This is not a housing project.*

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: *N/A*

- discount rate

For financing activities, include: *N/A*

- range of interest rates

I. Total Budget: (Include public and private components) *The projected costs are outlined below:*

	<i>NSP</i>	<i>TOTAL</i>
<i>Acquisition - Use E</i>	<i>\$750,000.00</i>	<i>\$750,000.00</i>
<i>Redevelopment - Use E</i>	<i>\$1,750,000.00</i>	<i>\$1,750,000.00</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Redevelop a vacant, foreclosed, and functionally obsolete office building for use by a major state college or university. The primary beneficiaries will be LMMI students.

Activity 12

(1) Activity Name: *Art Park Development – City of Mt. Clemens (Future Project)*

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) *NSP Use (E), CDBG Regulation 570.201 (c)*

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). *LMMI*

(4) Projected Start Date: *3/15/11 (Launch)*

(5) Projected End Date: *7/01/12 (Complete)*

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) *The County and the City of Mt. Clemens will enter into a sub-recipient agreement to administer this project. The City is located at One Crocker Blvd., Mt. Clemens, MI 48043. The responsible official will be Bonnie McInerney, Community Development Director, who may be reached at 586/469/6818 x 901.*

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *The project would be located at the corner of Robertson and NB Gratiot in the City of Mt. Clemens, in CT2454.02.*

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The area proposed for redevelopment is located in a LMMI area of the City of Mount Clemens. It consists of a single blighted four-family residential unit that is currently going through tax-foreclosure process. It is expected that the property will be available for sale in February 2011. The Anton Art Center and the City of Mt. Clemens are developing a series of public art spaces throughout the City where art can be publicly displayed. This would be one such site.

This creates a significant opportunity to eliminate blight, create a space for the public display of art. (A part of the property would also be dedicated for a bike path.), enhance the quality of life and stabilize a LMMI neighborhood. There is no setback for the current property and a narrow easement would be acquired to accommodate a planned bike path leading into the City's downtown. The primary users of the park would be the LMMI residents of the neighborhood and, to a lesser extent, non-resident users of the bike path.

Re-Use: *The City will use NSP program income to demolish the structure, prepare the site for acquire the land, demolish the existing structure, prepare the site for development and, possibly, purchase some of the art for the site.*

Alternate Re-Use: *None is necessary since the project will only occur if solid. It will be funded from program income derived from the sale of foreclosed homes through developers.*

For housing related activities, include: *N/A. This is not a housing project.*

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: *N/A*

- discount rate

For financing activities, include: *N/A*

- range of interest rates

I. Total Budget: (Include public and private components) *The projected costs are outlined below:*

	<i>NSP</i>	<i>PRIVATE</i>
<i>Redevelopment Use E</i>	<i>\$100,000.00</i>	<i>\$50,000.00</i>

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent): *This activity would remove blight that destabilizes the community and promote positive recreational pursuits by residents of all ages. It would result in the creation of one mini-park.*

Certifications

- (1) **Affirmatively further fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) **Section 3.** The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.
- (10) **Use NSP funds \leq 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.
- (11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.
- (12) **Excessive Force.** The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction will comply with applicable laws.

Signature/Authorized Official

Date

Title

NSP Substantial Amendment Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the NSP Substantial Amendment and SF-424.

Contents of an NSP Action Plan Substantial Amendment

Jurisdiction(s): <i>County of Macomb</i> Lead Agency <i>Dept. of Planning & Economic Dev.</i> Web Address: <i>www.macombcountymi.gov</i> (URL where NSP Substantial Amendment materials are posted)	NSP Contact Person: <i>Michael Rozny</i> Address: <i>Manager, Community Development</i> Telephone: <i>586/469/6451</i> Fax: <i>586/469/6787</i> Email: <i>Mike.Rozny@macombcountymi.gov</i>
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The elements in the substantial amendment required for the Neighborhood Stabilization Program are:

A. AREAS OF GREATEST NEED

Does the submission include summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction? Yes ☒ No ☐ Verification found on [p. 3](#).

B. DISTRIBUTION AND USES OF FUNDS

Does the submission contain a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures? Yes ☒ No ☐ Verification found on [pp. 2-3](#).

Note: The grantee's narrative must address the three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

C. DEFINITIONS AND DESCRIPTIONS

For the purposes of the NSP, do the narratives include:

- a definition of "blighted structure" in the context of state or local law,
Yes ☒ No ☐ Verification found on [p. 4](#).
- a definition of "affordable rents,"
Yes ☒ No ☐ Verification found on [p. 5](#).
- a description of how the grantee will ensure continued affordability for NSP assisted housing,
Yes ☒ No ☐ Verification found on [p. 5](#).
- a description of housing rehabilitation standards that will apply to NSP assisted activities?
Yes ☒ No ☐ Verification found on [p. 5](#).

D. INFORMATION BY ACTIVITY

Does the submission contain information by activity describing how the grantee will use the funds, identifying:

- eligible use of funds under NSP,
Yes ☒ No ☐ Verification found on [p. 8](#).
- correlated eligible activity under CDBG,
Yes ☒ No ☐ Verification found on [p. 8](#).
- the areas of greatest need addressed by the activity or activities,
Yes ☒ No ☐ Verification found on [pp. 2-3](#).
- expected benefit to income-qualified persons or households or areas,

Yes ☒ No ☐ Verification found on *pp. 4, 6, 8.*

- appropriate performance measures for the activity,
Yes ☒ No ☐ Verification found on *pp. 4, 7, 10, 11, and 12.*
- amount of funds budgeted for the activity,
Yes ☒ No ☐ Verification found on *pp. 4, 10, 11, and 12.*
- the name, location and contact information for the entity that will carry out the activity,
Yes ☒ No ☐ Verification found on *pp. 4, 9, 10, and 11.*
- expected start and end dates of the activity?
Yes ☒ No ☐ Verification found on *pp. 4, 9, 10, and 11.*

E. SPECIFIC ACTIVITY REQUIREMENTS

Does each activity narrative describe the general terms under which assistance will be provided, including:

If the activity includes acquisition of real property,

- the discount required for acquisition of foreclosed upon properties,
Yes ☒ No ☐ Verification found on *p. 9.*

If the activity provides financing,

- the range of interest rates (if any),
Yes ☒ No ☐ Verification found on *p. 6.*

If the activity provides housing,

- duration or term of assistance,
Yes ☒ No ☐ Verification found on *p. 9.*
- tenure of beneficiaries (e.g., rental or homeownership),
Yes ☒ No ☐ Verification found on *p. 9.*
- does it ensure continued affordability?
Yes ☒ No ☐ Verification found on *p. 9.*
- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes ☒ No ☐ Verification found on *pp. 4, 6, and 10.*

F. LOW INCOME TARGETING

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes ☒ No ☐ Verification found on *pp. 4, 6 and 10.*
- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income?
Yes ☒ No ☐ Verification found on *p. 4, 6, and 10.*
Amount budgeted = *\$2,197,210*

G. DEMOLISHMENT OR CONVERSION OF LOW- AND MODERATE-INCOME UNITS

Does grantee plan to *demolish* or convert any low- and moderate-income dwelling units?

Yes ☒ No ☐ (If no, continue to next heading)

Verification found on *pp. 4, 7, 10, and 11. No conversion intended.*

Does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be *demolished* or converted as a direct result of NSP-assisted activities?
Yes ☒ No ☐ Verification found on *pp. 7 and 11. No conversion intended.*
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion)?
Yes ☐ No ☐ Verification found on *Not applicable since no conversion is intended.*
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?
Yes ☐ No ☐ Verification found on *Not applicable since no conversion is intended.*

H. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the grantee jurisdiction's usual methods and on the Internet for no less than 15 calendar days of public comment?

Yes ☒ No ☐ Verification found on *p. 7.*

Is there a summary of citizen comments included in the final amendment?

Yes ☒ No ☐ Verification found on *p. 7.*

I. WEBSITE PUBLICATION

The following Documents are available on the grantee's website:

- SF 424 Yes ☐ No ☒ *Cannot save PDF SF424 from Template and cannot post it.*
 - Proposed NSP Substantial Amendment Yes ☒ No ☐.
 - Final NSP Substantial Amendment Yes ☒ No ☐.
 - Subsequent NSP Amendments Yes ☐ No ☒ *July 23, 2010.*
- Website URL: www.macombcountymi.gov

K. CERTIFICATIONS The following certifications are complete and accurate:

- | | | |
|--|---|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-lobbying | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) Authority of Jurisdiction | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) Consistency with Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (5) Acquisition and relocation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (6) Section 3 | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (7) Citizen Participation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (8) Following Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (9) Use of funds in 18 months | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use NSP funds ≤ 120 of AMI | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (11) No recovery of capital costs thru special assessments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (12) Excessive Force | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with anti-discrimination laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with lead-based paint procedures | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (15) Compliance with laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |